

\$900 billion to \$1.6 trillion over 7 years is a spending increase.

How is it going to affect my parents? How is it going to affect my grandmother? How is it going to affect seniors in our communities across the country? The fact of the matter is, the average senior citizen is going to go from having about \$4,600 in Medicare benefits per year to approximately \$6,400 in Medicare benefits a year. That is almost a \$2,000 spending increase over the next 7 years.

Again, in Washington, DC, some people are going to call that a spending cut. Adding \$2,000 over 7 years is going to be considered a spending cut, and they will get out charts and graphs and say, but over the next 7 years, blah, blah, blah, and I will tell you, by the end they are so good at it you almost start to believe them.

Let us look at the cold hard facts. Let us look at the report and let us call a spade a spade. We are going to save Medicare even if the other side is afraid to do anything about it.

MEDICARE AND SOCIAL PROGRAMS ARE UNDER ATTACK

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Minnesota [Mr. VENTO] is recognized during morning business for 2½ minutes.

Mr. VENTO. Mr. Speaker, we have seen a lot of policy changes that are flowing from the budget, and the fact is that the story about whether something is going to be cut or how it is going to be affected reminds me of the fisherman that is cleaning the catfish. He is saying: Please little catfish, hold still. I am not going to do anything but gut you.

The fact is that there is a denial of the intention and the proposal. There is a denial while it is going on. There will be a denial after the cuts and after the changes have taken place. But the fact of the matter is the Medicare and social programs are under attack. This year in 1995, in the housing programs, out of the \$16 billion rescission measure, \$6 to \$7 billion of that came out of housing programs. In the appropriation bill for HUD-VA that is being proposed, there is a 26-percent cut for housing. There is \$4 billion more taken from housing. Programs are eliminated. Programs are proposed to be severely cut back.

Public and assisted housing in this Nation, while we frequently look at problem public housing in terms of the media attention, the fact is that it is an overwhelming success in many instances. Four and a half million American families, we have in excess of 4½ million units of assisted and public housing in our Nation. The Federal Government has worked collaboratively, cooperatively, with States and local governments. These public housing programs are enormously important programs for low-income Americans.

If anything is happening in our society today, it is of course the deterioration of income, of wages and jobs, the lack of empowerment for working people. This directly has resulted in their inability to meet their basic needs.

One of those basic needs is housing. Others are health care. Of course, some of these have not passed in entitlements, but the new Republican majority have got plans for you on that. But housing has never been an entitlement. So the consequence is that when we run out of housing, the public or the assisted housing, we end up with people and problems. Those problems have in recent years emerged as a growing and alarming rate of homelessness.

This bill not only cuts the basic programs to build any new housing for seniors and others and the services that will help those people, whether they exist today such as drug elimination, grants for kids or congregate housing services, special services for the elderly, but this HUD-VA appropriation measure goes on to cut the homeless programs by 50 percent from what was provided last year. So not only will they not address the chronic problem of providing decent, sanitary housing for Americans, but the Republicans also go on in this bill to cut the homeless program. So once you are down and out, you are going to be out and on the street.

This answer, this Republican answer, is not the answer, the policy path the American people voted for last November.

What we have in this mean-spirited; extreme unbalanced HUD-VA appropriations bill is a circumstance where those least able to bear the burden of cost cuts are being asked to take on an inequitable share: Housing cuts of 26 percent while we preserve a project for a techno-mansion in space.

Adding insult to injury, the GINGRICH-led Appropriations Committee has cut HUD homeless assistance essentially by 50 percent. Further, the highly praised FEMA Emergency Food and Shelter Program is being cut by 23 percent. This is unconscionable. It is reckless.

The cuts in senior housing, disabled citizens housing, and housing for persons with AIDS, are also drastic and unfair. These three programs are lumped together to compete against each other with a severely smaller pool of dollars—roughly a 46-percent reduction: from 1995 levels of \$1.852 to \$1 billion for 1996. Additionally, as a result of requiring public housing and section 8 residents to pay a minimum rent of \$50 plus utilities, rents will be increased by an average \$463 per year for some 600,000 families. About 85 percent of these households are families with children, 10 percent are elderly and 5 percent disabled. Many of these Americans are on fixed incomes. Average annual income in public housing rests around \$7,000. An increase of \$463 represents nearly 7 percent of those low-income families' income—and while it may not seem like much to some—it will simply be a make or break situation for many of these families.

We cannot ignore the plight and impact on public housing under this harsh Republican legislative initiative. While assuring the contin-

ued flow of spending expenditures, in reality precious and scarce Federal dollars for the NASA space station, this Republican appropriations sledgehammer destroys public housing brick-by-brick, tenant-by-tenant, housing authority by authority. The bill would delay outlays for public housing modernization and/or development. It suspends without recourse one-for-one replacement of public housing. It cuts \$2.8 billion in capital and operating subsidies as compared from the 1995 level.

Coupled with the elimination of new section 8 assistance to tenants, this bill will literally guarantee an increase in homelessness. This relates to my initial point regarding the vicious cuts in homeless assistance. By making seemingly endless assisted housing waiting lists in reality a dead-end path, this HUD appropriations bill would force an explosion of families, children, and the elderly into the ranks of the Nation's homeless citizens.

And, why? For a space station? Or worse yet tax breaks for affluent Americans, who no doubt have their own housing subsidy in the form of the much supported mortgage interest and State and local tax deductions.

There is no equity in this bill, this budget or the actions to date of this 104th Congress. There is no justice when the rescission bill finally sent to the President the cuts from 1995 spending is 50 to 60 percent in essence \$6 to \$7 billion from housing programs. And peace will be hard to come by in the future because we will suffer from these shortsighted policies, as sure as millions of our friends and neighbors will languish on terminal waiting lists while enduring substandard housing; as sure as our parents lose their apartments in senior housing projects, or pay the rent with their food or prescription money; or, as certain as more children find it normal to wake up on the street or in a shelter. Our Nation will suffer and the notion and hope of our society will be diminished by such phenomena.

As the able Secretary of Housing and Urban Development, Secretary Cisneros pointed out, these cuts will affect literally millions of people and will devastate the communities in which we live. The Republican housing appropriations will be a monumental setback for revitalizing our distressed communities, and will cripple efforts to provide decent, safe, affordable housing opportunities for all Americans—a fundamental premise of our Nation's housing policy.

The impact in Minnesota graphically illustrates how people are affected by focusing on the changes more closely help place a face of the impact homeless cuts would represent just for the city of Minneapolis: A cut of \$3 million—which would cut their transitional and permanent housing by 46 units and reduce the number of people that would be able to be served by over 500 people. My home city of St. Paul would lose \$1.7 million in the next fiscal year if these cuts are made.

St. Paul, Minnesota's Public Housing Authority, a nationally recognized PHA will lose over \$4.5 million in operating subsidies and modernization dollars.

Because the GOP appropriations bill requires public housing and section 8 residents to pay a minimum rent plus utilities. As I noted earlier, HUD estimates that this would immediately raise rents for approximately 600,000 public housing and section 8 families by an average of \$463 per year. Nearly 50 percent of all assisted households in Minnesota would

face an average monthly rent increase of \$45 or an average annual increase of \$541. Naturally, utilities would include heat—and with no heating assistance, a cold winter could be as deadly as the recent heat wave has been.

People utilizing public housing today are very low income they can't contribute what they don't have, discretionary income. These dollars will be stripped from the necessities of their life and the families that comprise these low-income groups. This little change will work a significant problem, real hardship on the poor—an unfair hardship—on the poorest of the poor.

THE 30TH ANNIVERSARY OF MEDICARE AND MEDICAID

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized during morning business for 2 minutes.

Mr. OWENS. Mr. Speaker, this week we celebrate the 30th anniversary of Medicare and Medicaid. I emphasize Medicaid because in the ongoing debate about the cuts in Medicare and Medicaid, Medicaid gets left out.

Medicaid is very important. I want to remind everybody that 30 years ago, Democrats created Medicare and Medicaid. Lyndon Johnson, as part of the Great Society program, created Medicare and Medicaid. Democrats created Medicare and Medicaid, just as Democrats earlier created Social Security. Franklin Roosevelt was a Democrat. Democrats created Social Security.

Today we are celebrating the 30th anniversary of Medicare and Medicaid. These two forms of health insurance are the ones which serve those people most likely to need medical care. Yet they are the primary targets of the Republican scorched-earth Grim Reaper budget cutting. While many of my Republican colleagues will rush to the floor next week to defend the continued funding of the B-2 Stealth bomber, they meanwhile are launching a stealth attack against Medicare and Medicaid. Republicans propose to limit the growth of these programs at a rate which is actually one-half of the rate of growth for the private insurance industry.

Because two-thirds of the money in Medicaid goes to the services for the elderly and individuals with disabilities, the Medicaid cuts will drastically reduce access to long-term care for those who need it most but are least able to afford it. If you do not believe it, look at my home of New York City, where the nightmare has already begun. A Coney Island woman has had her 12 hours of daily attendant home care, which is much cheaper than nursing home care. Her 12 hours have been cut back to 4 hours. To make up for the 8-hour difference, they gave her an expensive beeper. She is so sick she cannot even open her mail, let alone use a beeper.

The cuts in Medicare are equally astounding. They will result in low income seniors paying more than double

their current monthly premiums by the year 2000. Let us retain the programs created by Democrats. Let us fight to retain Medicaid and Medicare.

THE 30TH ANNIVERSARY OF MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. DEUTSCH] is recognized during morning business for 2 minutes.

Mr. DEUTSCH. Mr. Speaker, as you have heard, today is the 30th anniversary of the Medicare Program. I think this is a day to focus on what the Republicans in this Congress are proposing to do to that program.

The Republican budget-passed plan has \$270 billion in cuts. They have said, and they have said recently on this floor, and they continue to say that those are necessary to save the plan, to save the plan from itself. Well, the reality is in the last 30 years of the Medicare Program it has never had more than a 10-year actuarial life. In fact, there have been times over the last 30-year period where it has only had a 2-year actuarial life.

The \$270 billion number has nothing to do with 10-year actuarial life. It has to do with the budget that they have proposed and some of the outrageous corporate welfare systems that still exist.

Now, what can be done? What is that \$270 billion to lead to? The \$270 billion will lead to a fundamental change in the Medicare system for beneficiaries. When you go through the numbers, the inevitable result of \$270 billion in cuts is that you will have a Medicare system not very similar to the system that exists today. We would have a Medicare system that would force a large percentage of the 37 million people in this country on Medicare into substandard HMOs.

Right now, Medicare reimburses HMOs at about 95 percent of the prevailing fee-for-service in an area. Only about 10 percent of Medicare beneficiaries choose to join those HMOs. The Republican proposal will drive down that reimbursement cost in the neighborhood of 70 percent. I do not doubt there are private for-profit HMOs that will be able to provide service at that cost, but at what quality? That is the question.

MEDICARE-MEDICAID

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized during morning business for 2 minutes.

Ms. DELAURO. Mr. Speaker, I rise today to discuss the Republican plan to cut Medicare for our seniors in order to pay for a tax cut for the privileged few.

The GOP plan is to end Medicare as we know it, a proposal that will devastate American seniors. Do not take my word for it. Just look at what the

conservative newspaper, the Washington Times, reported recently. According to the article, the GOP's ultimate goal is to privatize Medicare.

Privatizing Medicare will mean that seniors will pay more in premiums and deductibles and will lose their choice of doctors. The Washington Times reports that recipients who now pay \$46.10 per month for Medicare Part B would pay more than \$110 per month. And in the year 2002, this plan will cost seniors more than \$1,000 in out-of-pocket expenditures. They will be forced to give up their doctors.

It is ironic, Mr. Speaker, that Republican attempts to dismantle Medicare coincide with the program's 30th anniversary. When Medicare was originally proposed in 1965, 93 percent of Republicans supported a privatized health plan that relied on seniors paying the premiums. Today, 30 years later, we see history repeating itself, Republicans looking to dismantle a program that they never wanted in the first place, and that is Medicare.

My message to the American people is a simple one: Do not be fooled when the Republicans talk about slowing the growth of Medicare. It is a sham and a scam. The reality is that their plan will result in very real cuts to benefits and very real increases in costs for seniors who are on Medicare.

Do not be fooled when the Republicans say that these cuts are being made to fix Medicare or to reduce the budget deficit. The reality is that Medicare is being cut to pay for a \$245 billion tax cut for large corporations and the privileged few.

THE REPUBLICAN TRIPLE WHAMMY ON MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Massachusetts [Mr. FRANK] is recognized during morning business for 2 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, I want to be fair to the Republicans. We should not just talk about the pain they are going to be inflicting by making all the people pay more for Medicare because that is only one part of it. They also plan in their budget to reduce the cost of living every elderly person gets, no matter how low on the income scale.

Their budget balances in the year 2002, only because in part they cut the cost-of-living increase for Social Security. They think older people have been overcompensated for inflation.

But finally, for those older people who live in assisted housing and public housing who have Section 8 certificates, they have a third gift. They are going to raise their rent. So older people are going to find that, if the bill passes that is pending before us, that instead of 30 percent, they will pay 32 percent of their income. Their income will not go up as fast. Maybe that is the consolation when the Republicans cut the cost of living, but they will pay